GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:4754
ANSWERED ON:18.04.2001
REHABILITATION OF SICK SSI UNITS
V. SAROJA

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) the steps taken by the Government for identification and rehabilitation of sick Small Scale Industries;

(b) whether the Government propose to strengthen State Level Inter-Institutional Committee in this regard;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a): The Government has taken various measures to facilitate timely identification and rehabilitation of potentially viable sick industries, which inter-alia, include modifications in definition of sick small scale units, reduced rate of interest for rehabilitation, prompt viability studies/nursing programmes of identified sick units, institutional mechanism in the form of State Level Inter Institutional Committees, special rehabilitation cells in banks and State financial institutions and elaborate guidelines issued by the Reserve Bank of India for extending rehabilitation assistance to eligible units.

(b) to (d): A number of steps have been taken by Reserve Bank of India to strengthen the State Level Inter-Institutional Committees. These include holding meetings regularly, nominating a senior officer exclusively to chair the meetings of the SLIIC, specific individual cases to be looked into by the sub-committees of SLIICs and formatting a phased programme for rehabilitation of potentially viable sick units, participation of the local SSI associations in SLIIC meetings.